*THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) Yes, Sir. The objective of the Act is to provide, for the establishment of a Commission, to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect the interests of consumers, and to ensure freedom of trade carried on by participants in markets in India, and for matters connected therewith or incidental thereto.

(b) and (c) The Competition Commission of India was set up on 14th October, 2003. The Commission at present has one Member. The Competition Act was subject to legal challenges and the Supreme Court had stayed judicial functioning of the Commission. The Supreme Court has delivered its Judgement on 20.01.2005. So far, the Commission has undertaken preparatory and foundational work required for setting up a new organisation, organised/participated in a number of competition awareness activities, set up a web-site, attempted draft rules and regulations and has interacted with academic bodies and professional institutes for inclusion of competition policy and law in the course curriculum. These activities were aimed at generating greater awareness about competition issues amongst relevant stakeholders.

Registered companies

†21. SHRI PYARELAL KHANDELWAL: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) the total number of registered companies in the country;

(b) the number of inactive companies out of the registered companies;

(c) whether there is any scheme under consideration of Government to close those companies which are not operating; and

(d) if not, the scheme formulated by Government for the operation of all the registered companies and the details in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) The total number of registered companies in the country as on 31.10.2004 is 6,65,221.

(b) Although there are inactive companies, it is not feasible to indicate the exact number of such companies.

† Original notice of the question was received in Hindi.

(c) The Government have recently introduced a Simplified Exit Scheme (SES), which is in operation from 01.02 2005 till 31.7.2005, in order to enable defunct companies to get their names struck off from the Register of Companies under Section 560 of the Companies Act, 1956.

(d) Does not arise.

Serious Fraud Investigation Office recommendation on violation of Company Law

22. SHRI JANARDHANA POOJARY: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether the Serious Fraud Investigation Office (SFIO) has recommended to the Government to file criminal cases against several companies for violation of Company Law and breach of IPC provisions; and

(b) if so, the details in this regard and the action taken on the recommendations of the SFIO.

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) and (b) Serious Fraud Investigation Office (SFIO) has submitted investigation reports u/s 235 of the Companies Act, 1956 in respect of M/s Daewoo Motors (India) Ltd., M/s Vatsa Corporation Ltd., M/s Bonanza Biotech Ltd. and M/s Design Auto Systems Ltd. Prosecutions in respect of violations of company law and other enactments including Indian Penal Code are ordered once established on the basis of investigation reports. So far such prosecutions have been ordered in the case of M/s Daewoo Motors (India) Ltd. and M/s Vatsa Corporation Ltd.

Turnover of industrial institutes

†23. SHRI RAM JETHMALANI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether Government have identified 20 big industrial institutes of the country whose turnover has been calculated to be maximum during the year 2004;

† Original notice of the question was received in Hindi.